

HOUSE BILL NO. 666

INTRODUCED BY D. GALLIK

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A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING FOR DIRECT ACTION LAWSUITS AGAINST INSURERS UNDER MOTOR VEHICLE LIABILITY INSURANCE POLICIES."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. **Section 1. Motor vehicle liability policy -- direct action.** Any person who has a cause of action against another whose liability may be covered by a motor vehicle liability insurance policy, or the injured person's heirs or representatives, may bring a direct action lawsuit against the insurer within the terms and limits of the policy. The provisions of this section apply if the cause of action arose in Montana regardless of whether the policy of insurance sued upon was written or delivered in Montana or whether the policy contains a provision forbidding direct action. The direct action may be brought against the insurer alone or against both the insured and the insurer. However, recovery is limited to the terms of the insurance policy, and the injured person may not bring a separate suit against the insured if recovery is made against the insurer in a direct action suit under this section.

NEW SECTION. **Section 2. Codification instruction.** [Section 1] is intended to be codified as an integral part of Title 33, chapter 23, part 2, and the provisions of Title 33, chapter 23, part 2, apply to [section 1].

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